

# GARSDALE KNITWEAR LIMITED

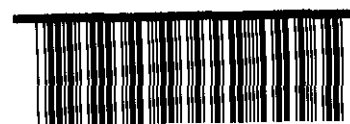
COMPANY NO. 01765714 ENGLAND AND WALES

## *REPORT OF THE DIRECTORS AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003*

78 DICKENSON ROAD,  
RUSHOLME  
MANCHESTER  
M14 5HF

SADDIQUE & CO  
CHARTERED ACCOUNTANTS &  
REGISTERED AUDITORS  
TEL : 0161-257-2100  
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COMPANIES HOUSE

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# **GARSDALE KNITWEAR LIMITED**

## **DIRECTORS' REPORT AND ACCOUNTS** **YEAR ENDED 31 DECEMBER 2003**

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The following page does not form part of the statutory accounts

**DETAILED TRADING AND PROFIT AND LOSS ACCOUNT**

**Appendix 1**

## **GARSDALE KNITWEAR LIMITED GENERAL**

**BUSINESS ADDRESS**  
64 CHAPLE TOWN STREET  
ANCOATS  
MANCHESTER M1 2WQ

**DIRECTORS**  
MOHAMMAD ARSHAD  
MOHAMMAD ANWAR  
MOHAMMAD HANIF

**SECRETARY**  
MOHAMMAD ANWAR

**REGISTERED OFFICE**  
78 DICKENSON ROAD  
RUSHOLME  
MANCHESTER M14 5HF

**AUDITORS**  
SADDIQUE & CO  
CHARTERED ACCOUNTANTS  
78 DICKENSON ROAD  
RUSHOLME  
MANCHESTER M14 5HF

**BANKERS**  
NATIONAL WESTMINSTER BANK PLC  
P.O. BOX 305  
SPRING GARDENS  
MANCHESTER M60 2DB

**COMPANY NO. 01765714 ENGLAND AND WALES**

# GARSDALE KNITWEAR LIMITED

## REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2003

The directors present their report on the affairs of the Company, together with the Financial Statements for the year ended 31 December 2003.

### PRINCIPAL ACTIVITY

The principal activity of the Company continues to be manufacturing and distribution of knitwear garments.

### DIRECTORS AND THEIR INTERESTS

The directors in office in the year and their beneficial interests in the company's issued ordinary share capital were as follows:

	At 31 December 2003	At 31 December 2002
	Ordinary shares of £ 1 each	Ordinary shares of £ 1 each
MOHAMMAD ARSHAD	2,000	2,000
MOHAMMAD ANWAR	2,000	2,000
MOHAMMAD HANIF	1,000	1,000

The report was approved by the board on 24 February 2004.

In preparing this report, the directors have taken advantage of special exemptions conferred by part II of the Companies Act 1985 on the grounds that, in the opinion of the directors, the company is entitled to those exemptions as a small company.

SIGNED ON BEHALF OF THE BOARD



M. ANWAR  
SECRETARY

**ACCOUNTANTS REPORT**  
**TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF**  
**GARSDALE KNITWEAR LIMITED**  
**FOR THE YEAR ENDED 31 DECEMBER 2003**

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 December 2003 set out on pages 4 to 9 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfill your statutory responsibilities, from the accounting records and information and explanations supplied to us.

78 DICKINSON ROAD  
RUSHOLME  
MANCHESTER M14 5HF

  
**SADDIQUE & CO**  
Chartered Accountants &  
Registered Auditors

Date : 24 February 2004

**GARSDALE KNITWEAR LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2003**

	Notes	2003 £	2002 £
<b>Turnover</b>	1e	477,586	805,969
<b>Less: Cost of sales</b>		(352,558)	(616,018)
<b>Gross Profit</b>		<u>125,028</u>	<u>189,951</u>
Selling and Distribution Expenses		(25,008)	(48,055)
Administration Expenses		(91,468)	(133,369)
Operating profit	4	<u>8,552</u>	<u>8,527</u>
Interest payable & similar charges	10	(5,433)	(6,219)
<b>Profit on ordinary activities before Taxation</b>		<u>3,119</u>	<u>2,308</u>
Tax on profit on ordinary activities	5	14,323	4,529
<b>Profit for the financial year</b>		<u>17,442</u>	<u>6,837</u>
Dividends paid		(-)	(-)
<b>Retained Profit for the year</b>		<u>(17,442)</u>	<u>6,837</u>
Retained profit at 1 January 2003		487,280	480,443
<b>Retained Profit at 31 December 2003</b>		<u><u>504,722</u></u>	<u><u>487,280</u></u>

# GARSDALE KNITWEAR LIMITED

## BALANCE SHEET

### AS AT 31 DECEMBER 2003

	Notes	£	2003 £	£	2002 £
<b>FIXED ASSETS</b>					
Tangible Assets	2		434,767		484,731
<b>CURRENT ASSETS</b>					
Stocks	1c	141,121		147,213	
Debtors	6	252,214		184,685	
Cash at Bank & in hand		33,797		21,351	
		<u>427,132</u>		<u>353,249</u>	
<b>CREDITORS:</b> Amounts falling due within one year	7	(272,539)		(225,992)	
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			<u>154,593</u>		<u>127,257</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			589,360		611,988
<b>CREDITORS:</b> Amounts falling due after more than one year	7A		(31,142)		(55,651)
<b>PROVISION FOR LIABILITIES AND CHARGES</b>	9		(44,496)		(60,057)
<b>NET ASSETS</b>			<u>£ 513,722</u>		<u>£496,280</u>
<b>CAPITAL AND RESERVES:</b>					
Called-up Share Capital	8		9,000		9,000
Profit and Loss Account			504,722		487,280
			<u>£513,722</u>		<u>£496,280</u>

The notes on page 6 to 9 form an integral part of these accounts.

The accounts were approved by the directors on 24 February 2004.

For the year in question, the company was entitled to exemption from an audit under s249A (1) of the Companies Act 1985. No notice has been deposited under s249B (2) of the act in relation to the accounts for the year. The directors acknowledge their responsibilities for :

- (a) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 185, and :
  - (b) for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the year and its profit or loss for the year then ended in accordance with the requirements of section 226 of the Companies Act 1985, and which otherwise comply with the requirements of that Act relating to the accounts, so far as applicable to the company.
- The accounts are prepared in accordance with the special provision of part V11 of the Companies Act 1985 relating to small companies with the Financial Reporting Standard for smaller Entities.

*Mohel. Arshad*  
Mohammad Arshad

# GARSDALE KNITWEAR LIMITED

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2003

### 1. STATEMENT OF ACCOUNTING POLICIES

#### a) Basis of preparation of accounts

The financial statements are prepared under the historical cost accounting rules and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

#### b) Tangible Fixed Assets and Depreciation

All Tangible Fixed Assets of the Company are stated at cost, and are depreciated over their expected lives or anticipated length of use by the company in order to write off the cost less estimated residual value.

Depreciation is charged using Reducing Balance basis for Motor Vehicles, Machinery and Fixtures & Fittings, and Straight Line basis for property.

The rates used are as follows;

	%
Plant & Machinery	10
Fixtures & Fittings	15
Motor vehicles	25
Property	4

The company's freehold property is included at its cost. The directors are of the opinion that there is no material difference in its historical cost and its open market value and therefore no revaluation has been carried out.

#### c) Stocks and work-in-progress

Stocks and work-in-progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of manufacturing overheads.

#### d) Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

#### e) Turnover

Turnover comprises the value of sales of goods in the normal course of business, stated net of credits, allowances, trade discounts and VAT.

#### f) Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts are capitalised as fixed assets and depreciated in accordance with the company's normal policy.

The outstanding liabilities under such agreements less interest not yet due are included in creditors. Interest on such agreements is charged to profit and loss account over the term of each agreement and represents a constant proportion of the balance of capital repayments outstanding.



# GARSDALE KNITWEAR LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003

### 2. TANGIBLE FIXED ASSETS

Net Book Value representing cost less accumulated depreciation as shown in the Balance Sheet comprises as follows:

	<u>Freehold Property</u>	<u>Plant &amp; Machinery</u>	<u>Fixtures &amp; Fittings</u>	<u>Motor Vehicle</u>	<u>TOTAL</u>
	£	£	£	£	£
Cost as at 01/01/03	63,575	1,243,328	48,417	29,711	1,385,031
Additions at cost	-	-	-	-	-
Disposals at cost	-	-	-	-	-
Cost as at 31/12/03	63,575	1,243,328	48,417	29,711	1,385,031
Depreciation					
Balance b/f	43,263	807,104	33,232	16,701	900,300
Adjustment for disposal	-	-	-	-	-
Charge for the year	812	43,622	2,278	3,252	49,964
Depreciation as at 31/12/03	44,075	850,726	35,510	19,953	950,264
Net Book Value as at 31/12/03	19,500	392,602	12,907	9,758	434,767
Net book value As at 31/12/02	20,312	436,224	15,185	13,010	484,731

# GARSDALE KNITWEAR LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003

### 3. BANK OVERDRAFT

Bank overdraft facility is secured against a first legal mortgage over freehold property and unscheduled mortgage debenture incorporating a fixed and floating charge over all current and future assets of the company.

2003	2002
£	£

### 4. OPERATING PROFIT

The operating profit is stated after charging:

Directors emoluments	37,882	62,400
Depreciation of fixed assets : owned	49,964	48,041

### 5. CORPORATION TAX

Corporation tax has been charged on taxable profits at the rates applicable during the Company's accounting year. The charge to Profit and Loss account comprises:-

UK Corporation Tax	1,238	-
Deferred tax (note 10)	(15,561)	4,529
Under (Over) provision for previous year	-	-
	<u>£ (14,323)</u>	<u>£4,529</u>

### 6. DEBTORS

Trade Debtors	178,379	174,250
H M Customs & Excise	13,835	10,435
Private Loan	60,000	
	<u>£252,214</u>	<u>£184,685</u>

# GARSDALE KNITWEAR LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003

	2003 £	2002 £
<b>7.CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
Trade Creditors	184,007	215,649
Others creditors	16,770	10,343
Bank overdraft	70,524	
Corporation Tax	1,238	-
	<u>£272,539</u>	<u>£225,992</u>
	=====	=====
<b>7A.CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR</b>		
Obligation under Hire Purchase contract (secured)		
Bank Loan	3,800	7,375
H P Loan	27,342	48,276
	<u>£ 31,142</u>	<u>£ 55,651</u>
	=====	=====
<b>8.CALLED UP SHARE CAPITAL</b>		
	Ordinary shares of £1 each	
Authorised	9,000	9,000
	=====	=====
Allotted, called up and fully paid	9,000	9,000
	=====	=====
<b>9.PROVISION FOR LIABILITIES AND CHARGES</b>		
Balance at 31-12-02	60,057	64,586
Transfer to Profit & Loss Account	(15,561)	(4,529)
	<u>44,496</u>	<u>60,057</u>
	=====	=====
<b>10.INTEREST PAYABLE AND SIMILIAR CHARGES</b>		
Interest payable	5,433	6,219
	<u>£5,433</u>	<u>£ 6,219</u>
	=====	=====